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June 17, 2005

VIA ELECTRONIC MAIL AND OVERNIGHT DELIVERY

Mr. Scott W. Matthews
Acting Executive Director
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512

Re: Energy Commission Executive Director Notice Of
Intent To Release Aggregated Data, Docket No.
04-IEP-1D

Dear Mr. Matthews:

Southern California Edison Company ("SCE") is responding to your letter of June 3, 2005, transmitting the "Energy Commission Executive Director Notice of Intent To Release Aggregated Data" ("NOI," attached as Appendix 1). As an initial matter, SCE wants to make clear that SCE is willing to provide its confidential data to Commission staff, Public Utilities Commission ("CPUC") staff, the Office of Ratepayer Advocates ("ORA"), The Utility Reform Network ("TURN"), and other non-market participants who sign an appropriate non-disclosure agreement.¹ SCE is unwilling, however, to allow its confidential information to be provided to generators, brokers and other market participating parties, who could use the information to harm SCE's customers.

SCE Appeals From 3 Of 10 Proposals in the NOI

As SCE understands the NOI, the Commission intends to release 10 distinct sets of data: Bundled Customer Capacity (annually and quarterly), Bundled Customer Energy (annually and quarterly), Geographically-aggregated Capacity (annually and quarterly), Geographically-aggregated Energy (annually and quarterly), and Geographically-aggregated Capacity with ranges given (annually and quarterly). In general, SCE does not oppose the release of 7 out of the 10 forms proposed by the NOI,

¹ Thus, SCE supports TURN's position, expressed in its June 15, 2005 letter to the Commission, to allow TURN access to this material under a non-disclosure agreement or protective order.

provided the Commission releases the Proposal 1 “annual energy data” for every load-serving entity (and not just investor-owned utilities (“IOUs”)):

- Proposal 1, annual bundled customer energy data;
- Proposal 2, annual geographically-aggregated capacity data;
- Proposal 2, annual geographically-aggregated energy data;
- Proposal 2, quarterly geographically-aggregated capacity data;
- Proposal 2, quarterly geographically-aggregated energy data;
- Proposal 3, annual geographically-aggregated capacity data, with a range of values;
- Proposal 3, quarterly geographically-aggregated capacity data, with a range of values;

SCE does, however, object to the release of three sets of data that the Commission intends to produce. Therefore, pursuant to Title 20 of the California Code of Regulations, Section 2505(a)(3)(B), SCE hereby appeals from the following portions of the NOI, on the grounds that they reveal proprietary, confidential, and trade secret information:

- Proposal 1, for annual capacity data;
- Proposal 1, for quarterly capacity data;
- Proposal 1, for quarterly energy data.

SCE also objects to the Commission’s attempt to treat IOU confidential data differently than data supplied by Energy Service Providers (“ESPs”). This distinction is impossible to justify. The Commission should protect the data of all load-serving entities (“LSEs”), not just the data of generators and ESPs, and where disclosure is required, the disclosure requirement should be uniform, and not just pertain to IOUs.

In general, SCE cautions the Commission against taking actions in the name of “transparency” that will allow market participants to benefit unjustly at the expense of California’s electricity customers. John Q. Public and Granny Doe are not seeking access to SCE’s “Bundled Customer Net Peak Demand + 15% Planning Reserve Margin” or “Bundled Customer Future Generic Resource Needs.” Market participants, and the trade organizations that represent them, are the ones who are agitating for this data. They do not want this information to enable the state to keep energy prices low, or improve services to California’s ratepayers. They fight to obtain this

information only to maximize profits for their shareholders. That is why they take every opportunity to fight disclosure of their own information.

Procedural Summary

The NOI is based on a Draft Proposal issued on May 13, 2005 by Commission staff ("Draft Proposal"). The Draft Proposal proposed that the Commission release capacity and energy data in two ways: (1) for the bundled service customers of each utility, aggregated annually; and (2) across defined geographical areas, also aggregated annually. SCE and other parties participated in a May 18, 2005 meeting arranged by Commission staff in which the IOUs expressed grave concerns with the Draft Proposal as it was then written. The IOUs particularly objected to the release of utility-specific capacity data, some of which is now the subject of a writ petition in Superior Court.

On May 20, 2005, two days after the meeting with Commission staff, the IOUs filed joint comments on the Draft Proposal. (A copy of those comments is attached as Appendix 2.) In those comments, the IOUs supported the general concept of aggregating data, but expressed strong objections to the Draft Proposal. Among other things, the IOUs opposed releasing bundled-service customer capacity data. The IOUs also felt strongly that all load-serving entities should be treated similarly in reporting purposes.

The NOI differs from the Draft Proposal in three important respects. First, the NOI would release data only from 2009 forward. SCE welcomes this change, as nearer-term data is somewhat more sensitive than the data further out. However, the data for 2009 and later is still highly market-sensitive because this is the period SCE and the other IOUs would need to procure new capacity to meet those future needs. The NOI also adds to the Draft Proposal a "Proposal 3," which would provide a range of data in the geographically-aggregated regions. In one sense, however, the NOI releases more confidential data than the Draft Proposal, in that it releases data on a quarterly, not just an annual, basis. No reason is given for the release of quarterly data. Even more important, the Commission gives no justification for it.

Our specific concerns with the NOI are set forth below.

Proposal 1, Annual Capacity Data For Bundled Service Customers

Bundled service customer capacity data is the most market-sensitive data that the NOI is proposing to publicly disclose. And the residual net short – directly revealed by the tables proposed by staff – is one of the biggest trade secrets. Proposal 1 of the NOI (for capacity) would reveal not only SCE's peak demand calculations for bundled service customers, but the existing and planned resources SCE uses to meet those customers' needs and SCE's "future generic resource needs" – i.e., its bundled customer residual net short.

SCE's peak demand calculations are presently the subject of a writ action in Superior Court. (Southern California Edison Company v. State Energy Resources Conservation and Development Commission, Case No. 05CS00860). In advance of that action, the Commission agreed to "attempt to maintain confidentiality of the Disputed Data until a final judgment is issued in the Potential [now, actual] Litigation or the statute of limitations for such litigation has run." The Commission agreed not to release the information unless there is a Public Records Act ("PRA") request for it. In return, SCE agreed not to seek a temporary restraining order in that action until the Commission received a PRA request and was going to provide the information pursuant to it. In a telephone conversation on June 8, 2005, Commission staff claimed that the information the Commission now proposes to release is "different". Although the numbers of the peak demand forecast are somewhat different since the S-1 form used different assumptions for four different scenarios, this data is, in truth, exactly the same information that is the subject of the Court action. The same peak demand numbers can be calculated by adjusting some lines in S-1. Therefore, the Commission would breach its agreement if it released this data.

Nonetheless, even if there were no court action pending, the Commission should reverse its decision to release this information. Under California law, "it is not necessary in order that a process of manufacture be a trade secret that it be patentable or be something that could not be discovered by other by their own labor and ingenuity."² The central issue is whether the system gains value from being kept confidential, not whether others could derive a similar system through independent effort.³ Indeed, California courts have held that marketing strategy, plans, and techniques can be deemed trade secrets.⁴ Cases have recognized that information related to cost and pricing can be trade secret as well.⁵

The Bundled Customer Peak is not provided to the public. If power producers knew this peak annual number, and also were able to determine from other sources how much power SCE already secured, those generators could determine SCE's net short, i.e., how much power SCE needed to buy. This information would give prospective suppliers a significant advantage in negotiations for supplies of power. In essence, the Bundled Customer Peak is half of the "net short trade secret." It is also, in itself, a market-sensitive secret which SCE has protected and since restructuring has never revealed publicly.

Yet, the NOI goes even further in that it releases the actual annual (and quarterly) net short itself. This is a key trade secret that SCE has always protected. It is not necessary for the Commission to reveal the *hourly* peak demand or hourly net

² *By-Buk Co. v. Printed Cellophane Tape Co.*, 163 Cal. App. 2d 157, 166, 329 P.2d 147 (1958).

³ *See id.*; *see also Abba Rubber Co. v. Seaquist*, 235 Cal. App. 3d 1, 18, 286 Cal. Rptr. 518 (1991).

⁴ *Whyte v. Schlage Lock Co.*, 101 Cal. App. 4th 1443, 1456 (2002)

⁵ *See Courtesy Temporary Service, Inc. v. Camacho*, 222 Cal. App. 3d 1278, 1288 (1990) (billing and markup rates "irrefutably" of commercial value).

short to cause damage to SCE. SCE procures to meet its annual net short, not any specific hour, but for the peak hour whenever it occurs. Moreover, SCE generally procures quarterly products. Because SCE's system peaks each year on a day in the summer (as opposed to, say, Pacific Northwest utilities, which peak in the winter), a supplier who knows SCE's forecast load for its bundled service customers at the time of the peak would be substantially advantaged by knowing just how much capacity SCE requires every day for the third quarter of the year.

SCE is including with this appeal a declaration from Charles R. Plott, Ph.D., dated June 17, 2005, (attached as Appendix 3) and a declaration of Kevin R. Cini, dated June 9, 2005, which was filed in the writ petition action referenced above (attached as Appendix 4). These declarations further explain why this data is market sensitive and the harm that could ensue if the Commission were to publish it.

In addition to the fact that SCE's capacity net short is a trade secret, the Commission must follow statutes and CPUC rules to guard confidential information. The CEC IEPR Process has become inextricably linked to the CPUC's procurement planning process. For example, in a ruling dated March 14, 2005, CPUC Commissioner Michael Peevey stated: "With narrow exceptions consistent with Public Resources Code Section 25302(f), the CPUC will not provide an additional opportunity for parties to re-examine IEPR determinations during its 2006 procurement proceedings. Parties will not be permitted to present evidence, testimony, or argument that they presented, or could have presented, in the CEC's IEPR proceeding."⁶ The Legislature, in Assembly Bill 57, specifically charged the CPUC with ensuring the confidentiality of market sensitive procurement plan-related information. As the CEC has joined the procurement planning process, it must follow California law which requires the protection of "market-sensitive information" in accordance with procedures designed by the CPUC under Public Utilities Code Section 454.5(g), such as the April 4, 2003 Administrative Law Judges' Ruling Regarding Confidentiality Of Information And Effective Public Participation.⁷

The Commission claims that a CPUC ruling issued in R.04-04-003 and R.04-04-025 makes public "a wide range of similar data." This is simply not so. The ruling in question does not make public any capacity net short data, of any aggregation. And the demand data released is that of "system demand," which is a number completely different from the bundled customer demand that the NOI would release.⁸ The system demand includes the demand of both bundled service and direct access customers. It includes customers for whom SCE must procure power, as well as

⁶ Assigned Commissioner's Ruling Detailing How The California Energy Commission 2005 Integrated Energy Policy Report Process Will Be Used In The California Public Utilities Commission's 2006 Procurement Proceedings And Addressing Related Procedural Details, issued March 14, 2005 in Rulemaking 04-04-003.

⁷ This Ruling was filed in R. 01-10-024.

⁸ See Administrative Law Judges' Ruling On Protective Order and Remaining Discovery Disputes, Issued May 9, 2005, at p. 26.

customers who rely on ESPs to procure their power. As such, it is more similar to the geographically-aggregated data that the Commission would provide in Proposals 2 and 3, than the bundled customer demand data that is the subject of Proposal 1.

Proposal 1, Quarterly Capacity Data For Bundled Service Customers

All of the reasons set forth above apply to the Quarterly Capacity Data that the Commission would provide under Proposal 1. If anything, the quarterly data is more sensitive, because it provides a finer gradation of SCE's customers' demand, and SCE's needs to meet that demand. Because SCE often procures quarterly products, the quarterly capacity net short, and the components of it, are extremely sensitive. A marketer who has access to SCE's annual capacity net short would know the resources SCE needs to fill to cover its summer peak. A marketer who has access to SCE's capacity net short for each quarter, however, would know how much power SCE must procure to meet the peak for that particular quarter. Because SCE generally procures products by quarter, the marketer would know exactly what SCE needs and is seeking. The marketer would thereby be able to strategically modify its behavior, including prices bid to SCE, to increase profits (and SCE's costs) above what they would otherwise be were the confidentiality of SCE's information maintained.

This is also true when SCE is "net long" in any quarter. Data enabling market participants to determine SCE's residual net long position would allow them to know, and exploit to their advantage, how much capacity SCE has to sell in that quarter. SCE does not have equivalent information about other companies' "short" or "long" positions. Other companies could exploit the public release of SCE's confidential information by pursuing various strategies, including selling in front of SCE, taking the best offers for themselves and depressing prices SCE would receive. This data must not be provided publicly to market participants.

Proposal 1, Quarterly Energy Data For Bundled Service Customers

Although SCE does not oppose the release of Bundled Customer Energy data on an annual basis – in fact, SCE never claimed that it was confidential – SCE does oppose the publication of its quarterly Bundled Customer Energy data, quarterly energy supply, and quarterly energy net-short and net-long positions. As noted above, SCE often procures (and sells) quarterly products. Providing quarterly energy supply information reveals information about when SCE's contracts start and end, the timing of plant outages, and the amount of energy that can be produced from energy-limited resources (such as from hydroelectric generation). Providing quarterly net-short or net-long energy positions, or information that could be used to calculate or estimate quarterly net-short or net-long positions, provides information on the timing and quantities that SCE will be seeking to buy or sell in the market, as the case may be.

The power producers could use this information to manipulate the prices in various ways. For example, in a concrete solicitation to buy energy, a power producer

could bid higher prices when SCE's net short position is significant for any given quarter and it expects that SCE would need to contract with multiple generators. Additionally, a power producer who knows how much energy SCE is seeking to buy by quarter could schedule a major plant outage when SCE's energy needs are higher, which could result in higher prices and profits for energy sales from its other plants. The above effect is magnified to the extent multiple power producers see the same confidential information and employ the same strategy to increase profits. A power producer who knows that SCE is long in a particular quarter, and will thus be selling energy, might want to enter sales contracts ahead of SCE, to ensure that it takes advantage of the best offers before SCE.

All Non-Municipal Load-Serving Entities Should Be Treated The Same

Finally, the Commission should treat all load serving entities equally with regard to all public policy considerations. There is no sound public policy to do otherwise. In the present environment where a competitive wholesale market exists, and changes are being considered to significantly expand the current extent of competition in retail markets, it is critical to not advantage any one set of load serving entities over another. This important public policy was recognized when resource adequacy requirements were established and it should apply to all other obligations being placed on load serving entities. (Indeed, if the purpose of disclosing data is to track the attainment of resource adequacy requirements, the same data must be made available for each LSE or should not be produced for any LSE.) With regard to the specific proposal for aggregating data, the same standard for disclosing market sensitive information should apply to all LSEs and disclosure (or non-disclosure) should be made accordingly.

The NOI claims that ESPs should be in a different position because "they compete against each other" but due to the current suspension of direct access "may not compete to acquire additional customers from IOUs." This is not actually the case. Direct Access in California represents about 23 billion kWh annually (approximately 10 percent). In SCE's area, 16 retail Electric Service Providers (ESPs) are active and 117 are eligible to provide Direct Access service. Customers who are the beneficiaries of the "switching exemption" can return to bundled service and, after three years, return to Direct Access. Moreover, because California is actively considering core/non-core models, community choice aggregation, and other forms of retail restructuring, there is the potential for much greater involvement of retail market participants in the near future.

Market participants serving the retail side can use SCE's confidential information – particularly its buying, selling, and hedging requirements, contract information and residual net short and net long positions – to obtain more favorable deals for their customers at the expense of SCE's bundled service customers. Furthermore, retail market participants who have access to SCE's confidential

information can purchase energy or capacity knowing when and how much they can resell to SCE at inflated prices, based on SCE's needs. In other words, market participants serving the retail side are buyers and sellers on the wholesale side. While SCE opposes three components of Proposal 1, if the Commission forces IOUs to release this information, it must treat all LSEs equally.

The Commission Should Collaborate With The CPUC On Protecting Confidential Information

The CPUC has viewed the Commission as an important part of the procurement planning process. Likewise, the NOI relies on the ruling of a CPUC Administrative Law Judge to (mistakenly) justify the publication of certain data. Despite the relationship between the CEC's and CPUC's procurement proceedings, the CEC has not adopted the CPUC's rules to ensure that market-sensitive information is not published. When it comes to protecting confidential information, there is inconsistency not just between, but within, each of the agencies.

The CPUC is planning to open a new rulemaking to address the treatment of confidential information.⁹ SCE respectfully suggests that the Commission work jointly with the CPUC to ensure that the proceeding develop consistent rules that will apply to both agencies. Until these rules are developed, however, the Commission should refrain from publishing data that the IOUs claim as confidential under relevant statutes and existing CPUC rules.

Summary

For all of the aforementioned reasons, the Commission should adopt Proposals 2 and 3 on an annual basis, and also allow the release of Annual Bundled Customer Energy Data, as set forth in Proposal 1. The Commission should reverse the determination of the Executive Director and prohibit the release of:

- IOU Bundled Customer Capacity Data, on an annual basis, as set forth in Proposal 1.
- IOU Bundled Customer Capacity Data, on a quarterly basis, as set forth in Proposal 1.
- IOU Bundled Customer Energy Data, on a quarterly basis, as set forth in Proposal 1.

⁹ This has been noted on the CPUC's recent agenda as "R _____ - Order Instituting Rulemaking to implement Senate Bill No. 1488 (2004 Cal. Stats., Ch. 690 (Sept. 22, 2004)) relating to confidentiality of information." On June 16, 2005, the CPUC held consideration of this new rulemaking to its June 30, 2005 meeting.

The Commission should also treat all LSEs equally and, if it chooses to release information, should release the same information for all of them.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Beth A. Fox".

Beth A. Fox

cc: Caryn Holmes, Esq., California Energy Commission (via Overnight Delivery)
Kevin Kennedy, California Energy Commission (via Overnight Delivery)

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Enclosure(s)

Appendix 1

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



June 3, 2005

Ms. Laura Genao
Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770

Dear Ms. Genao:

RE: Plans to release aggregated confidential data

Energy Commission staff has reviewed the various data filings provided by the state's load serving entities (LSEs) over the last several months. Because much of this data is being treated as confidential, staff plans to present aggregated data in our staff reports on the electricity supply and demand situation in California. Kevin Kennedy, the Energy Report program manager, discussed a draft of this proposal with the affected LSEs in meetings two weeks ago, and all of you filed comments on the draft after the meetings. I appreciate your willingness to provide comments and recommendations quickly. As you know, a key Energy Commission goal is to conduct the 2005 *Energy Report* proceeding in as open and transparent a manner as possible. At the same time, we are bound to protect any information that has been provided that is entitled to confidential treatment. After considering the responses from the LSEs, I believe that the attached plan for release of aggregated data succeeds in balancing those two principles.

Release of aggregated information is important to providing the necessary foundational material to support the Energy Commission's recommendations relating to the state's electricity system. The aggregation plan includes geographic aggregation that will be useful in the Commission's development of statewide energy policy recommendations. In addition, because the Energy Commission and the California Public Utilities Commission (CPUC) have agreed that the 2005 *Energy Report* proceeding will be the start of a new integrated statewide planning process, we need to address LSE-specific information. As stated in President Peevey's September 16, 2004, Assigned Commissioner Ruling (ACR), the 2005 Energy Report process "will estimate need for resource additions, evaluate policies and recommend appropriate resource strategies for the state to meet forecasted load on a biennial cycle. All load serving entities will provide load forecasts, resource plans and transmission assessment as input." The CPUC expects the Energy Commission to provide a transmittal report that is "based on the comments and information provided by all the participants regarding the issues, and will identify the likely range of statewide and LSE-specific need [and] a discussion of issues relevant to this determination." (March 14, 2005, ACR) To fulfill these

Ms. Laura Genao
June 3, 2005
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requirements, the Energy Commission must provide participants in the 2005 Energy Report proceeding with sufficient information to allow an understanding of its recommendations on LSE-specific range of need.

I believe the current proposal protects confidential information while providing the public with an adequate opportunity to review and discuss the information that we will transmit to the CPUC along with the Energy Commission's findings and recommendations. Nonetheless, I recognize that some LSEs may have concerns about the degree of disclosure that would result from this plan. If you believe that any of the proposals in the plan will result in the release of information that is entitled to confidential treatment, you should file an appeal with the Commission in the Energy Report docket (04-IEP-1D) within fourteen days of this letter. (Cal. Code Regs., tit. 20, 2507(e)(2).) Please provide copies to Kevin Kennedy, Energy Report Program Manager, and Caryn Holmes, Energy Report Committee Counsel. While it is not required, if you decide before the deadline for filing an appeal that you are satisfied with a portion of our proposals and will not file an appeal for these, it would be helpful to staff in preparing key reports for a mid-June publication date if you notified us of that decision as soon as it is made.

Thank you for the work you and your staff have done in providing information for this proceeding. I look forward to your continued cooperation in the future. If you have questions or concerns about this proposal, please contact Kevin Kennedy at (916) 651-8836.

Sincerely,

SCOTT W. MATTHEWS
Acting Executive Director

cc: Docket Unit, 04-IEP-1D

ENERGY COMMISSION EXECUTIVE DIRECTOR NOTICE OF INTENT TO RELEASE AGGREGATED DATA

Background

The information provided by the state's load serving entities (LSEs) is a key part of the record for the *2005 Energy Report* proceeding. Evaluation of this information by Energy Commission staff and other parties will help inform the findings and recommendations in the *2005 Energy Report*, which in turn will form the basis for the transmittal of data and recommendations to the California Public Utilities Commission for the 2006 long-term procurement proceeding.

Much of the data supplied by investor-owned utilities (IOUs) and electricity service provider (ESPs) is being treated as confidential, either because the Executive Director determined that filers had made a reasonable claim that the information is entitled to protection, or because the process for resolving LSE appeals of Executive Director determinations that the data is not entitled to confidential protections is not yet complete.

The Energy Commission is committed to ensuring that the *2005 Energy Report* policy proceeding is conducted in an open and public manner. The *Energy Report* Committee expects that all the information that it considers in developing findings and recommendations in the *2005 Energy Report* and accompanying transmittal report for the CPUC will be part of the public record. While monthly demand and monthly specific resource data at the IOU bundled service load level has been granted confidentiality, the CPUC expects the Energy Commission to transmit information on the IOU positions through the *2005 Energy Report* process, and expects that all parties will have the opportunity to review and comment on this information. In order to meet this objective, the Energy Commission staff is developing summaries and aggregations of the confidential data for outside parties and Energy Commissioners to review. These summaries and aggregations will allow all parties to understand the supply/demand picture for the state and for the individual utilities. They protect the confidentiality of any underlying data that is confidential.

The IOUs have suggested that the Energy Commission's collaboration with the CPUC in the procurement process binds the Energy Commission to follow the CPUC's confidentiality determinations. While similar data has been provided to the CPUC for past proceedings, the data filed by the LSEs for the *2005 Energy Report* proceeding has not itself been reviewed for confidentiality by any other agencies. It therefore falls on the Energy Commission to determine whether this data should be shielded from release under the Public Records Act based on applicable laws and regulations. Even if it were appropriate for the Energy Commission to apply the

CPUC's requirements to this data, the CPUC has been directed by legislation to revisit its own approach to confidentiality, and expects to do so before the 2006 procurement proceeding begins.

Overview of Staff Proposals

The staff plans to release to the public aggregated data tables described in the three proposals below, which have been designed to mask the underlying resource plan data that has been designated as confidential. Each of the three proposals address both projected energy production and productive capacity of resources. Further, each of these tables will have annual and quarterly versions.

In all three sets of tables, the data will be aggregated in two dimensions: (1) along the time dimension, and (2) along the specificity of resource dimension by combining data about individual resources into categories of resources. The temporal aggregation will be from the monthly data submitted to quarterly and annual values. For the capacity tables, this aggregation will be developed by selecting values for the single month in which the forecast total peak demand is highest during the period, without identifying what month was selected. For example, in preparing an annual capacity from S-1 data if peak demand is highest in August for a specific year, all values for that year will be from August. For the energy tables, the data will be summed over the months in the relevant period. The quarterly data would be based on calendar quarters, and the annual data would be based on calendar years.

In addition, individual rows of resource-specific data from the submittals would be combined into various category subtotals. In these aggregated tables, staff will include all the rows relating to demand that do not reveal supplier categories, but will combine the specific resource listings (e.g. individual power plants, or individual contracts) into categories of resources (e.g. utility-controlled fossil resources, or existing & planned renewable contracts). Tables 1 and 2 at the end of this document summarize the categories staff will use for release of capacity and energy data, respectively. Staff has also prepared a template Excel spreadsheet similar to the public versions of forms S-1 and S-2 that the IOUs provided with their resource plan filings to use as a visual image of the annual version of the proposed tables. The quarterly version would simply have more columns.

The three sets of aggregated data tables differ based on the degree of geographic aggregation, and whether the scenarios filed by the LSEs are reported separately or are only shown as a range across scenarios. These differences are summarized as follows:

1. **IOU-specific tables for each scenario:** For each resource plan scenario, the staff will aggregate individual IOU bundled service customer data by aggregating monthly resource-specific entries to produce annual and quarterly subtotals by resource categories;

2. **Planning area tables for each scenario:** For each resource plan scenario, the staff will aggregate monthly resource-specific data for all LSEs serving load within a transmission planning area to produce annual and quarterly subtotals by resource categories; and
3. **Planning area tables showing capacity scenario ranges:** The staff will combine the results of the individual capacity scenarios for each planning area in the previous proposal to create a single table that shows the range of values.

These three proposals are discussed in more detail below. The staff believes that the first two proposals together provide the most appropriate level of disclosure consistent with protection of confidential data. The tables in the third proposal will only be produced if one or more LSE objects to either of the first two proposals.

The LSEs whose data is being aggregated can appeal the decision to release some or all of these tables to the full Energy Commission. No release of aggregated information that is the subject of an appeal to the full Commission will be allowed until the appeal is settled. In agreeing to or appealing the release of these three sets of aggregated data tables, the LSEs should consider the annual and quarterly versions separately, e.g. there are six proposed ways in which the data will be aggregated.

Proposal 1: IOU Bundled Customer Data

Under this proposal, staff will produce data tables consistent with Tables 1 and 2 for each of the IOUs, as described above. The tables will show annual and quarterly aggregated energy and capacity information for each IOU's bundled loads, for each of the four resource plan scenarios provided by the IOUs. These tables would be similar to the public versions of forms S-1 and S-2 that each IOU voluntarily provided, though they would provide more detailed information on categories of resources, particularly on the capacity side. The staff accepts the IOU suggestion that near term values have special sensitivity, so the tables would begin with year 2009.

The information included on these tables does not reveal the confidential data from the IOU filings, and is not itself entitled to confidential treatment. Aggregating supply data across the two dimensions (from monthly to annual and quarterly data and from individual resources to resource categories) does not reveal confidential monthly resource-specific data. Nor can these data aggregations be combined with other publicly available data to identify confidential monthly, individual resource-specific data for an individual IOU. This is due to the fact that in most of the resource categories, many individual resource entries are aggregated together into a single value. The only instances in which the number of individual resources comprising a category is small are when the resources are utility-owned. Substantial information is publicly available about these resources. IOU concerns about revealing how such

resources might be used to meet demand over time are addressed by providing only annual and quarterly values, and by keeping monthly patterns confidential.

The quarterly and annual demand aggregations for the top rows of the S-1 and S-2 forms are not themselves confidential for two reasons. First, the various adjustments from gross load to net load resulting from shifts in supplier from IOU to other LSEs have been aggregated into a single "load adjustment" row that does not reveal alternative supplier. Even for the individual sources of adjustment, in most instances the resource plan forms and instructions directed the nature of the adjustment. The magnitudes of these values as submitted in the S-1 and S-2 forms reveal more about implementation of Commission direction rather than predictions of loss of load from modeling and analyses reflecting the business assessments of the IOU. Second, the demand-side load adjustments resulting from energy efficiency, demand response, and distributed generation are largely a matter of public knowledge having been issued as programmatic goals by CPUC orders. At this level of aggregation, staff does not believe any confidential information is being released.

Finally, for the same reasons as those underlying the Executive Director's determination that annual demand forecast data should be public, the portions of Tables 1 and 2 that show Future Generic Resource Need should also be made public. In upholding that determination, the Commission focused on whether knowledge of the extent of the gap between supply and demand during the single hour of highest demand would affect a utility's bargaining power vis-à-vis its potential suppliers and purchasers. The Commission found the answer to this question was no. IOUs have already agreed that the energy version of this Generic Resource Need can be made public by SCE furnishing its Public S-2 tables, and PG&E and SDG&E furnishing their S-7 tables.

While this aggregation proposal adds information on resources, and further disaggregates demand and resource information to a quarterly level, the same principles lead to the conclusion that the information revealed under this proposal, at either the annual or quarterly level, is not a trade secret:

- ◆ data similar to most of the disputed information is publicly available;
- ◆ release of the annual or quarterly demand and resource data without specificity about when the single hour of peak demand will occur and how similar that hour is to any other hour during the period diminishes the value of the information; and
- ◆ potential sellers can offer a variety of products to meet the utilities needs, and the utilities have additional options for meeting peak demand in addition to purchases from third parties.

Limiting the release of the IOU-specific aggregated data to the years 2009 and beyond also minimizes any potential value of the data because additional suppliers will be able to enter the energy market by that time.

While the demand forecast determination upheld by the Energy Commission related only to annual data, we note that a recent CPUC administrative law judge ruling issued in R.04-04-003 and R.04-04-025 addresses confidential versus public designations for a wide range of data of similar data.¹ We understand this ruling to uphold the confidentiality of hourly and monthly data, but that it orders the IOUs to release quarterly demand forecasts and quarterly forecasts of utility-retained generation costs and production. While the Energy Commission is not bound by CPUC determinations on the public or confidential nature of similar data, this decision does demonstrate that the CPUC, which the Energy Commission has encouraged to be less protective of IOU data, believes that releasing quarterly demand data does not reveal trade secret information.

In discussing these aggregation proposals, IOUs have indicated that they believe any LSE-specific data aggregations should apply equally to all LSEs. Staff plans to apply this proposal only to the IOU data, and not to the ESP data. In general, the staff agrees that similarly situated entities should be treated in similar fashion. However, in this instance, the staff is attempting to provide information to the CPUC on regulated utility activity, and to allow parties that may participate in the CPUC's 2006 long-term procurement proceeding to have access to aggregated data that may be used in that proceeding. The staff does not anticipate including ESP data in the transmittal report to the CPUC, and so does not plan to release a set of ESP-specific aggregation tables based on this proposal. Finally, ESPs have justified their claims for confidentiality of data submitted into this proceeding by noting that they compete against each other, even though under the current suspension of direct access, the ESPs may not compete to acquire additional customers from IOUs. Thus, IOUs and ESPs are not similarly situated, and what is a trade secret for one is not necessarily a trade secret for another. Accordingly, staff believes that making distinctions between the treatment of different subsets of LSEs is justified.

Proposal 2: Aggregation of all LSE Loads and Resources within a Geographic Region

In this proposal, the load forecast and resource plan data from all LSEs serving load within a control area will be aggregated, with the exception of the California Independent System Operator (CAISO) control area. For that control area, the unit of aggregation will be the participating transmission owner (PTO) transmission planning area. Under this proposal, the IOU data would be combined with the data for all ESPs and municipal utilities within that IOU's planning area. As with Proposal 1, data tables would be created in this proposal for each of the four resource plan scenarios provided by the IOUs.

Aggregation of LSE Load Data within Planning Areas

¹ R.04-04-003 and R.04-04-025, Administrative Law Judges' Ruling on Protective Order and Remaining Discovery Disputes, May 9, 2005.

Specifically, staff plans to release aggregated load forecast data for the four major control areas (CAISO, LADWP, SMUD/ WAPA, and a grouping of the smallest control area and fragments of the state in non-California control areas). Table 3 identifies the four control areas and the assignment of LSEs to them and to the subsidiary planning areas of the CAISO control area. Three of these CAISO planning areas are based on the large IOU dominating that geographic region, while one consists of the State Water project within the Department of Water Resources (DWR).

Staff plans to use this aggregation of LSE loads in its demand forecast comparison report, which will compare the staff demand forecast to those provided by the LSEs. This report is scheduled for public release on June 13 and will be discussed at a workshop on June 29. Because LSEs with a peak demand of less than 200 MW were not required to submit demand forecasts, using planning area requires estimation of the loads associated with these small suppliers. Staff has prepared an estimate of peak demand for 2005 for determining the proportion that these loads represent of the total planning area; this estimate is sufficiently small that the smaller entities can be approximated without introducing appreciable error into the overall total.

This aggregation of IOU, ESP and municipal utility load data into three IOU-centric planning areas could create disclosure problems for any of the component LSE elements that need to be protected.² However, previous informal discussions with IOUs and ESPs found support for this general approach. Staff's assessment of the confidential data along with public data from municipal utilities and smaller ESPs and municipals that were not required to file in this *2005 Energy Report* cycle indicates that IOU load forecasts are in the range of 80 - 85% of planning area totals for year 2005. This percentage combined with the fact that the number of entities included in the aggregation is at least 10 or more LSEs per planning area sufficiently masks the underlying confidential data of each one of the LSEs.

Aggregation of Individual Resource Plan Scenarios within Planning Areas

LSEs were requested to provide monthly tabulations of individual resources for capacity and energy to serve load in Forms S-1 and S-2, respectively, for four scenarios. As with the reference case resource plans, the S-1 and S-2 forms for each of these alternative scenarios were granted confidentiality. Recognizing that some access to these data were necessary, the three IOUs provided public versions of these resource plan data by aggregating in two dimensions – from monthly to annual, and from resource-specific to resource-category.

Staff plans to provide separate aggregated tables for the individual resource plan scenarios for capacity and for energy on an annual and quarterly basis. These

² PG&E and SCE planning areas contain several municipal utilities that filed load forecasts and several more that did not. All three IOU-centric planning areas contain loads of small ESPs <200 MW peak demand that did not submit load forecasts.

scenarios reveal how each IOU proposes to adapt should an alternative future other than the reference case materialize. The size of the adjustments to load most fully characterizes each of the uncertainties about load (core/ non-core, community choice aggregation/ municipal departing load and levels of preferred loading order resources). The resulting resource plan scenario reveals how the IOUs would need to adapt their procurement actions to match such a load forecast when they identified it. The annual and quarterly resource category subtotal values are needed to understand the nature of the differences among the scenarios and the public policy consequences of the various scenarios.

Proposal 3: Further Aggregation Across IOU Resource Plan Scenarios

As a result of informal discussions with IOUs, the staff proposes a third aggregation proposal for capacity values that utilizes broader groupings. The tables in this proposal would collapse the separate capacity scenario tables for a given planning area into a single capacity table. The entries in this table would be the range of corresponding values from the separate scenario tables. If the values were common across all four scenarios, then a single value would be present in the cell. If there were four different values in the corresponding cells of each scenario, then the lowest and highest would be chosen and that range of values shown in the cell. Thus, the more that particular types of resources were affected in the development of the resource plan scenarios, the more that ranges would appear in the table rather than single values and the more that ranges would widen through time.

The interpretation of these tables would be difficult, since changes reflecting multiple sources of uncertainty would be intermingled. Because this proposal can be readily created from the tables in Proposal 2 and provides less information, staff would produce tables under this proposal only in cases where a pending appeal prevents the release of the corresponding Proposal 2 scenario tables. Staff has not included an energy version of this proposal, since the LSEs have informally agreed to Proposal 2 for the energy data.

Timing

The aggregations discussed above will appear as part of staff reports released in June commenting upon LSE submittals. These reports will be discussed in workshops in late June or July. Because of this schedule, and the need for 2005 *Energy Report* participants to utilize the results of these aggregation proposals in lieu of any access to underlying data that has been classified as confidential, it is critical that LSEs express agreement with those portions of this proposal they support as soon as possible, even if there are other portions they intend to oppose.

These plans to release aggregated data may be appealed to the Energy Commission within fourteen days. (Cal. Code Regs., tit. 20, 2507(e)(2).). Any appeal should specify which proposal, or which portion of a proposal, is being appealed. Those specific portions of any proposal that is appealed will not be released while that appeal is pending. In addition to docketing an appeal, copies should be provided to Kevin Kennedy, *Energy Report* project manager and Caryn Holmes, *Energy Report* Committee counsel.

Table 1. Proposed level of detail for release of aggregated annual and quarterly capacity resource data

PEAK DEMAND CALCULATIONS (MW):

Reference Case Forecast Total Peak Demand
 Load Adjustment for a Scenario (-)
 Uncommitted Price Sensitive DR Programs (-)
 Uncommitted Energy Efficiency (2009-2016) (-)
 Distributed Generation (-)
 Net Peak Demand for Bundled Customers
 Net Peak Demand + 15% Planning Reserve Margin
 Firm Sales Obligations
Firm Peak Resource Requirement

EXISTING & PLANNED RESOURCES

Utility-Controlled Fossil and Nuclear Resources:

Nuclear
 Fossil
Total Dependable Fossil and Nuclear Capacity

Utility-Controlled Hydroelectric Resources (1-in-2):

Total for all plants over 30 MW nameplate
 Total for all plants 30 MW nameplate or less
 Pump Storage Generation
Total Dependable Hydro Capacity

Total Utility-Controlled Physical Resources

EXISTING & PLANNED CONTRACTUAL RESOURCES

DWR Must-take Contracts:

Contract A

 Contract N
Total DWR Contracts

QF Dependable Capacity
 Renewable Contracts
 Other Bilateral Contracts
 Short Term and Spot Market Purchases

TOTAL: EXISTING & PLANNED CAPACITY

Existing Interruptible / Emergency (I/E) Programs
 Uncommitted Dispatchable Demand Response

TOTAL CAPACITY + I/E and UDDR

FUTURE GENERIC RESOURCE NEEDS

Generic Renewable Resources
 Capacity of other Generic Additions
Total Capacity of Future Generic Resources

Note: Dispatchable DWR contracts are included in the Other Bilateral Contracts.

Table 2. Proposed level of detail for release of aggregated annual and quarterly energy resource data

ENERGY DEMAND CALCULATIONS (GWh)

Reference Case Forecast Total Energy Demand
Load Adjustment for Scenario (-)
Uncommitted Energy Efficiency (2009-2016) (-)
Distributed Generation (-)
Net Energy Demand for Bundled Customers
Firm Sales Obligations
Total Energy Requirement

EXISTING & PLANNED RESOURCES

Utility-Controlled Fossil and Nuclear Resources:

Nuclear
Fossil
Hydro
Total Fossil and Nuclear Energy Supply

EXISTING & PLANNED CONTRACTUAL RESOURCES

Must-take DWR Contracts:

Contract A
....
Contract N
Total Energy Supply from DWR Contracts

Total Energy Supply from QF Contracts
Total Existing & Planned Renewable Contracts
Short Term and Spot Market Purchases

TOTAL: EXISTING & PLANNED ENERGY

FUTURE GENERIC RESOURCE NEEDS

Generic Renewable Energy
Generic Resource Addition Energy
Total Future Generic Resource Needs

Note: Dispatchable DWR contracts are included in the **Other Bilateral Contracts**.

Table 3. Definitions of proposed geographic areas for release of aggregated load forecast and resource plan data

Control Area	Component Planning Areas	Filings from LSEs in Area	Implementation Issues
CAISO	PG&E Planning Area (PA) ³	IOU, ESPs >200 MW, ESPs < 200 MW, Munis	Requires effort to estimate loads for minor Munis and ESPs not submitting data
	SCE PA	IOU, ESPs >200 MW, ESPs < 200 MW, Munis, and MWD	Requires effort to estimate loads for minor Munis and ESPs not submitting data
	SDG&E PA	IOU, ESPs >200 MW, ESPs < 200 MW	Requires effort to estimate loads for minor ESPs not submitting data
	DWR (split into North and South)		Neither staff nor DWR have prepared a DWR demand forecast. DWR is busy with a major water study preceding a load forecast/resource plan effort.
LADWP	Single area	LADWP, Burbank and Glendale	None
SMUD	Single area	SMUD, Roseville, Redding and WAPA direct service	WAPA has not submitted data, but staff received a forecast via the PG&E transmission planning process
Other	Single area	IID, small portions of the Sierra Pacific and PacifiCorp service areas	Some aggregation necessary to protect IID resource plan data granted confidentiality

³ IOU bundled customers average from 81-85% of the peak load in these planning areas.

Staff Proposed Aggregation for Dependable Capacity Resource Accounting Table - Annual Version
3-Jun-05

STAFF PROPOSED LEVEL OF AGGREGATION

PEAK DEMAND CALCULATIONS (MW):	2009	2010	2011	2012	2013	2014	2015	2016
Reference Case Forecast Total Peak Demand								
Load Adjustment for This Scenario(-)								
Uncommitted Price Sensitive DR Programs (-)								
Uncommitted Energy Efficiency (2009-2016) (-)								
Distributed Generation (-)								
Net Peak Demand								
Net Peak Demand + 15% Planning Reserve Margin								
Firm Sales Obligations								
Firm Peak Resource Requirement								
EXISTING & PLANNED RESOURCES								
Utility-Controlled Fossil and Nuclear Resources:								
Nuclear								
Fossil								
Total Dependable Fossil and Nuclear Capacity								

Utility-Controlled Hydroelectric Resources (1-in-2):								
Total for all plants over 30 MW nameplate								
Total for all plants 30 MW nameplate or less								
Pump Storage Generation								
Total Dependable Hydro Capacity								
Total Utility-Controlled Physical Resources								
EXISTING & PLANNED CONTRACTUAL RESOURCES								
DWR Must-take Contracts:								

Staff Proposed Aggregation for Energy Resource Accounting Table - Annual Version
3-Jun-05

STAFF PROPOSED LEVEL OF AGGREGATION

ENERGY DEMAND CALCULATIONS (GWh)	2009	2010	2011	2012	2013	2014	2015	2016
Reference Case Forecast Total Energy Demand								
Load Adjustments for this Scenario(-)								
Uncommitted Energy Efficiency (2009-2016) (-)								
Distributed Generation (-)								
Net Energy Demand for Bundled Customers								
Firm Sales Obligations								
Total Energy Requirement								
EXISTING & PLANNED RESOURCES								
Utility-Controlled Fossil and Nuclear Resources:								
Nuclear								
Fossil								
Hydro								
Total Fossil and Nuclear Energy Supply								

EXISTING & PLANNED CONTRACTUAL RESOURCES

Must-take DWR Contracts:								
Contract A								
....								
Contract N								
Total Energy Supply from DWR Contracts								

QF Contracts:

Total Energy Supply from QF Contracts								
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Appendix 2

May 20, 2005

PRELIMINARY COMMENTS OF SCE, PG&E AND SDG&E ON ENERGY
COMMISSION PROPOSAL TO AGGREGATE INFORMATION

Thank you for the opportunity to discuss your proposal for publicly disclosing aggregated demand/supply information, which may be used by the California Public Utilities Commission (CPUC) in its 2006 long-term procurement proceeding. These comments are preliminary but represent the joint views of SCE, PG&E, and SDG&E, subject to further details on Energy Commission Staff's proposal that we may receive.

We understand the dilemma faced by Staff : (1) the Energy Commissioners plan to rely solely on information in the public record for their findings and recommendations in both the 2005 Energy Report itself, and the accompanying transmittal to the CPUC; and, at the same time, (2) the Commission is required by law to keep market-sensitive and trade secret Load Serving Entity (LSE) specific information confidential, as disclosing such information to the public (including market participants) would harm LSEs' customers. We appreciate Staff's effort to find a mutually acceptable solution which meets both objectives.

However, as Staff and the Energy Commissioners acknowledge, the information here is not being developed in a vacuum. It is intended to be provided to the CPUC for a very specific purpose in a very specific CPUC proceeding: the CPUC proceeding which will be reviewing the utilities' Long Term Procurement Plans developed and submitted in accordance with Assembly Bill (AB) 57 and various CPUC decisions and rulings. Under the CPUC's Long Term Procurement Plan proceeding, key parts of the information we have provided under confidentiality to the Energy Commission are expressly protected from disclosure to market participants under current orders and rulings of the CPUC and in compliance with Public Utilities Code section 454.5(g), which requires the protection of market sensitive information from public disclosure. The Energy Commission is collaborating with the CPUC in the procurement process and is bound by those confidentiality requirements. We believe that the framework and confidentiality principles applicable on this important CPUC proceeding are a very essential context for

how we and you should review the level of protection that should be provided to the information that is the subject of your aggregation proposal.

We generally agree with the three general approaches to aggregate information, that is: (1) aggregate data on a geographic basis; (2) aggregate monthly data into annual numbers; and (3) aggregate categories of resources.

As we mentioned in our meeting on May 18, however, we have some concerns with the Staff proposal. First, the Staff should treat all load serving entities equally with regard to all public policy considerations. There is no sound public policy to do otherwise. In an environment where a competitive retail market may emerge, it is critical to not advantage any one set of load serving entities over another. This important public policy was recognized when Resource Adequacy requirements were established and it should apply to all other obligations being placed on load serving entities. (Indeed, if the purpose of disclosing data is to track the achievement of Resource Adequacy requirements, the same data must be made available for each LSE.) With regard to Staff's specific proposal for aggregating data, the same standard for disclosing market sensitive information should apply to all LSEs and disclosure should be made accordingly.

Second, with respect to Table 1, Table 2 and Table 3, we have the following concerns and alternative proposals.

As we understand it, the CEC's proposal was to make versions of Table 2 and 3 available both on a planning area basis and for the bundled customers of the individual IOUs. Therefore, we want to comment on Table-2 and Table-3 separately for geographically-aggregated forms and IOU-specific forms.

Demand/supply tables for the planning area

General comments

We understand that the objective of geographic aggregation is to discern the supply/demand balance for the loads within various areas of the state.

However, aggregating the submittal by “IOU transmission planning area” is not the right level of aggregation, since it will not meet the objective stated above.

- a. The tables will not show whether LSEs will have sufficient deliverable resources;
- b. The tables will not allow the Commission to assess how much new generation is needed and where it should be located; and
- c. Tables showing un-contracted positions do not lead to any useful information for determining the need for new generation resources, the types of those resources or their location.

Not only does this aggregation fail to meet any discernible objectives, but it puts sensitive IOU data at risk. As the Staff proposal states, IOU bundled customers’ load averages about 85% of the peak demand in each planning area. It is possible to estimate relatively accurately small LSEs’ loads and resources and reengineer the IOUs’ bundled customer resource needs – particularly if one assumes that the ESPs’ needs are filled primarily by contracts.

Therefore, the IOUs would prefer, as an alternative, to aggregate load information by “North/South California” or by NP/SP zones (consistent with transmission constraints). This proposal would seek to evaluate all loads and resources in transmission-constrained areas so that the need for new generation or transmission projects becomes more apparent. This table would not disclose which LSEs are included in the aggregated geographic area, their individual loads, or their specific resources (unless already publicly available).

However, for the 2005 IEPR we are willing to allow Tables aggregated by planning area based on the versions attached to this letter.

Table 2

As we understand it, Commission Staff is proposing to disclose separate tables for each scenario which would reveal specific resource needs. As you mentioned in our

meeting on Wednesday, however, the CPUC had requested only ranges and not specific resource needs.

Therefore, at the planning area level, we propose to prepare only one capacity table which would show the ranges of the various scenarios, including the reference case, preferred case, accelerated renewable and core/non-core scenarios. We have provided a version of this table with the rows that would be acceptable as Table S-1.

Table 3

As you mentioned in the meeting, the energy table is less problematic and we agree. The energy tables aggregated at the planning area are acceptable, and the IOUs could accept disclosure of ranges of the data based on the Table S-2 that is attached.

Capacity/energy tables for the IOU bundled customers

Table 2

As we understand it, the CEC Staff proposed to disclose individual IOU bundled customer capacity information for each scenario. Disclosing LSE-specific capacity data is the most problematic part of the Staff proposal. The current proposal revealing IOUs' residual resource needs on an annual basis starting 2006 is not acceptable. It is the single most market-sensitive, trade secret data we hold, as each utility procures, generally, to meet that level for third quarter products. Each of the respective IOUs is committed to protect this information. This would potentially include seeking writs of mandate in court.

The IOU's have already provided public data regarding their capacity position (S-1 Public Forms or S-6 Forms filed as part of our March 1 and April 1, 2005 filings). The IOUs cannot agree to allow any further disclosure at this time. Disclosure of the range of energy (not capacity) needs appears to be sufficient to meet the CEC's and CPUC's objectives.

Table 3

As we understand it, Staff is also proposing to disclose energy information for each scenario which would reveal residual resource needs.

As we mentioned Wednesday, we have two concerns with the proposal at the IOU specific level. First, the proposed table would disclose annual data for the first three years beginning in 2006. This information would have little value for developing new resources in the State but is valuable, market-sensitive information that market participants can use against buyers to meet short-term procurement requirements. We note that PG&E has not requested confidential treatment of its annual energy data for the first three years, 2006-2008. Second, Staff proposed to prepare separate tables for each scenario which would reveal residual resource needs for that scenario. As you mentioned yesterday, the CPUC requested ranges and not specific residual resource needs.

Therefore, the IOUs propose that Staff provide a range for each LSE's resource needs based on the scenarios the LSEs filed with the Commission, and to disclose this information only beginning in 2009 based on the table S-3 included with this letter. This should apply to all LSEs.

Potential additional Tables

Since the IOUs removed some level of disaggregation from the CEC proposed format that the CEC may find useful in public forums, the IOUs are willing to work with the CEC on developing additional tables. As an example, the IOUs would not object to a table that shows the generic needs by type on an SP/NP basis.

We believe that this proposal reflects the solution we discussed in our meeting and would be a workable approach to ensure balancing the Commission's preferences and our concerns about revealing market sensitive information to market participants. This proposal would also ensure expedited disclosure of the aggregated information to meet the Commission's timeline.

Proposed Aggregation for Planning Area Dependable Capacity Resource Accounting Table S-1

20-May-05

PROPOSED LEVEL OF AGGREGATION

PEAK DEMAND CALCULATIONS (MW):	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Forecast Total Peak Demand											
Uncommitted Price Sensitive DR Programs (-)											
Uncommitted Energy Efficiency (2009-2016) (-)											
Distributed Generation (-)											
Net Peak Demand + 15% Planning Reserve Margin											
Firm Sales Obligations											
Firm Peak Resource Requirement											
EXISTING & PLANNED RESOURCES											
LSE-Controlled Fossil and Nuclear Resources:											
Nuclear											
Fossil											
Total Dependable Fossil and Nuclear Capacity											

LSE-Controlled Hydroelectric Resources (1-in-2):											
Total for all plants over 30 MW nameplate											
Total for all plants 30 MW nameplate or less											
Pump Storage Generation											
Total Dependable Hydro Capacity											
Total LSE-Controlled Physical Resources											
EXISTING & PLANNED CONTRACTUAL RESOURCES											
DWR Must-take Contracts:											
Contract A											

Proposed Aggregation for Planning Area Energy Accounting Table S-2
20-May-05

PROPOSED LEVEL OF AGGREGATION

[illegible][illegible]

20-May-05

Existing & Forecasted Renewable Contracts:

[illegible]

Total Energy Supply from Other Bilateral Contracts
and DWR Dispatchable Contracts

[illegible]

FUTURE GENERIC RESOURCE NEEDS

[illegible]

(1) Net of sales

Proposed Aggregation for LSE Specific Energy Resource Accounting Table S-3
20-May-05

PROPOSED LEVEL OF AGGREGATION

ENERGY DEMAND CALCULATIONS (GWh)	2009	2010	2011	2012	2013	2014	2015	2016
Net Energy Demand for Bundled Customers								
Firm Sales Obligations								
Total Energy Requirement								
EXISTING & PLANNED RESOURCES								
Utility-Controlled Fossil and Nuclear Resources:								
Nuclear								
Fossil								
Hydro								
Total Fossil and Nuclear Energy Supply								

EXISTING & PLANNED CONTRACTUAL RESOURCES

Must-take DWR Contracts:								
Contract A								
....								
Contract N								
Total Energy Supply from DWR Contracts								
Existing and Forecasted QF Contracts								
Total Energy Supply from QF Contracts								
Existing & Forecasted Renewable Contracts:								
Total Existing & Planned Renewable Contracts								

20-May-05

(1) Net of sales